negative list. The amount of inflows of FDI during the first half of current financial year is US$ 1707.14 million compared to US $ 1604.16 million received during.the corresponding period of 2002.

Corporate Governance in private Sector

49. DR. MANMOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) what is Goverment's assessment of the current state of corporate governance in the private sector and

(b) the measures undertaken or contemplated to bring about improvements in corporate governance?

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) and (b) Improving corporate governance is a continuous process. Several measures have been introduced over the years by amending the Companies Act and also through the listing Agreement introduced by Securities and Exchange Board of India (SEBI). Recently, the Naresh Chandra Committee made recommendations covering areas of corporate governance such as independence of directors and auditors, prohibition of auditors taking up certain non-audit assignments etc.

Electronic Refund Scheme for Tax Refunds

50. SHRI RAMA MUNI REDDY SIRIGIREDDY : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Ministry of Finance is very soon going to launch electronic refund scheme through the electronic credit system of RBI for claiming tax refunds;

(b) whether any time-frame has been fixed within which the system is going to be launched;

(c) the details of States in which it is going to be launched; and

(d) in what manner the Ministry can launch the system without changing the audit rules and treasury rules?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) Yes, Sir.

(b) The Electronic Clearing Scheme for Income-tax Refunds is expected to be launched before the end of the current financial year subject to amendment to Audit and Treasury rules referred to in (d) below.

(c) The ECS refund facility would be available initially at Ahmedabad, Bangalore, Bhubaneshwar, Chennai Hyderabad, Jaipur Kanpur Kolkata, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram.

(d) The Income Tax Department will launch the sheme only after the amendments to the relevant rules are carried out. The matter is under consideration before the Controller General of Accounts and the Comptroller and Auditor General of India.

Mounting Fiscal Deficit

51.SHRI MURLI DEORA: Will the Minister of FINANCE be pleased to state:

(a) whether RBI in its annual report has expressed grave concern over mounting fiscal deficit;

(b) if so, the details of fiscal deficit at the end of September, 2003;

(c) whether widening fiscal gap has led to steep rise in outstanding liabilities of Government;

(d) if so, the percentage of internal debt and other liabilities to the total outstanding domestic debt of the Central Government as on 30th September and 31st October, 2003; and

(e) the steps taken to overcome it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) RBI's Annual Report 2002-03 has mentioned that inflexibility in the fiscal deficit is a dominant concern weighing upon the fiscal stance for 2003-04 and underlines the need to rein in revenue deficit. It also states that the guiding themes in Budget 2003-04 is indicative of a shift in focus to the quality of fiscal policy.

(b) Fiscal deficit at the end of September 2003 stood at Rs.81,014 crores, which is 51.9 per cent of the Budget Estimates.

(c) The growth in the total outstanding liabilities (adjusted at year end exchange rates) as a perentage of GDP is not steep as from a position